

**Testimony of Kenneth Cole, GCSI**  
**Before the**  
**Michigan House Tax Policy Committee**

*(May 16<sup>th</sup>, 2012 / 10:30 a.m. / 519 House Office Building / Lansing, MI 48933)*

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Chairman Gilbert ... Vice Chairmen Walsh and Constan ... Distinguished members of the House Tax Policy Committee ... Good morning.

For the record, my name is Kenneth Cole. I am a principle with the multi-client lobbying firm Governmental Consultant Services Incorporated and lead lobbyist for the City of Detroit at the state Capitol. I'm joined this morning by Mr. Brian Kott of the Lewis and Munday Law Firm. He is representing the Detroit Economic Growth Corporation, the city's foremost economic development agency.

On behalf of the Honorable Dave Bing, Mayor of the City of Detroit, I first want to sincerely thank Speaker Pro Tempore John Walsh for sponsoring House Bill 5463, and I appeal to the committee to pass the measure expeditiously.

Specifically, this legislation seeks to promote consistency in Michigan law by exempting from taxation properties owned by a Downtown Development Authority, similar to how statute already treats properties owned by Economic Development Corporations. Doing so also would yield conformity in statute and case law, which already recognizes the tax-exempt status of DDA-owned properties.

It bears mentioning, too, that treating DDA-owned properties thusly would streamline locals' tax-collecting efforts. Simply put, municipal tax workers would be freed from collecting taxes that ultimately are captured, only to be returned to the local DDA for various economic development projects.

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At its crux, House Bill 5463 is a technical amendment rooted in common sense. It is in recognition of all of the latter that I again respectfully request a "Yes" vote on House Bill 5463.

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Thank you for your forbearance. I am happy to entertain questions from the panel.